

Parkwalk  
Investing in Innovation

Beauhurst

# Equity investment into spinouts 2025





# Contents

|    |                                   |
|----|-----------------------------------|
| 3  | Foreword                          |
| 4  | Executive summary                 |
| 5  | Spinout investment                |
| 7  | Equity deals by number and stage  |
| 8  | Scale-up pipeline                 |
| 9  | Regional investment               |
| 11 | Top industries for investment     |
| 12 | Top equity deals                  |
| 13 | Top investors                     |
| 14 | Top universities by equity deals  |
| 15 | Top universities by equity volume |
| 16 | UK and foreign investment         |
| 17 | Investor nationality              |
| 18 | Exit by valuation                 |
| 19 | Exit by location                  |
| 20 | Methodology                       |
| 21 | About                             |

# Foreword



## Moray Wright

Chief Executive Officer, Parkwalk

Over the past decade, university spinouts have moved from a burgeoning element of the UK's innovation landscape to a critical driver of economic growth and global competitiveness. Spinouts have cemented a central position in the UK's approach to commercialising world-class research. Many of the fledgling firms I worked with then are now high-value companies, innovating to overcome challenges in health, climate, and the boundaries of technology.

This year's Equity Report shows the resilience and potential of this ecosystem. Despite global uncertainty, investment into spinouts rose sharply in 2024, reaching £3.35bn – more than 40% higher than the year before. Landmark raises captured headlines, but significantly, first-time equity deals grew by 68%. This signals confidence in early-stage opportunities and the strength of the pipeline emerging from UK universities. Evidence from the first half of 2025 – with £709m already raised – is promising, but sustaining progress will require coordinated effort from investors, policymakers and universities.

Life Sciences remain the powerhouse of UK spinouts, while AI and digital technologies are increasingly

prominent, aligning closely with government priorities under the Modern Industrial Strategy. These areas offer not just economic opportunity but the prospect of far-reaching societal benefit.

Geography remains decisive in shaping outcomes. London, Oxford and Cambridge continue to dominate, yet there are encouraging signs of growth in the North West and Scotland, supported by new funds and collaborative initiatives. These developments point towards a more balanced national picture. It is why I'm so proud of Parkwalk's partnership with Northern Gritstone, through the launch of the Northern Universities Venture Fund, supporting spinouts and deep science opportunities from the Universities of Leeds, Liverpool, Manchester and Sheffield.

Parkwalk, part of IP Group, is proud to play a leading role in supporting this growth. In 2024, Parkwalk was again the top individual investor in university spinouts, participating in 41 equity deals across industries from Life Sciences and AI to clean technologies and advanced materials. Parkwalk's parent company, IP Group, also backed 13 innovative companies. Together, the Group stands as the most active UK-based early-stage investor in spinouts – and a resolute champion for improving the journey from commercialisation, to scale-up, to exit.

To support further growth, Parkwalk will launch its fifth Knowledge Intensive EIS Fund later this year, backing more of the country's leading science-based businesses and deploying capital through attractive tax relief.

Looking ahead, the sector must maintain momentum amid wider challenges to the UK investment landscape. The UK must continue to attract deep pools of domestic and international capital – for spinouts at their earliest stages and for those innovative companies ready to scale. For the first time, this report includes data on equity available to spinouts reaching this phase of development. The stark reality of this cliff edge shows how far we must go to avoid the current British brain drain overseas.

But a positive trajectory is there for the taking. UK spinouts have evolved from novel ventures into established engines of growth and innovation. Investors, institutions, and government must continue to collaborate and prioritise backing the brightest ideas and most ambitious founders. Only then can we ensure the UK's world-class research receives the investment needed to make genuine impact, commercially, economically, and for society.

# Executive summary



## Henry Whorwood

Managing Director, Research and Consultancy at Beauhurst

Academic spinouts continue to play a defining role in shaping the UK's innovation economy. By transforming leading-edge research into commercial ventures, they underpin long-term competitiveness and create pathways for sustainable growth. Equity investment remains essential for these companies, enabling them to scale breakthroughs in fields from Life Sciences to AI.

The 2024 investment landscape demonstrated renewed momentum. Total spinout funding rose to £3.35b, with the average deal size increasing, reflecting investor willingness to back scale-up ambitions after a period of caution. H1 2025 shows £709m raised, which is encouraging in difficult market conditions, underlining the resilience of the sector.

Beneath the headline numbers, three structural themes stand out. First, regional investment is beginning to shift. While the South East, London, and East of England still dominate, new

partnerships and funds are helping strengthen ecosystems in the North. Initiatives such as the Northern Triangle Talent project and the Northern Universities Venture Fund are expanding access to capital, alongside supportive government programmes. These efforts point to a more geographically balanced pipeline of spinouts in the years ahead.

Second, spinouts are increasingly aligned with the UK's Modern Industrial Strategy. Between H2 2024 and H1 2025, Life Sciences spinouts recorded 182 deals, while Digital and Technology spinouts secured 152. This concentration shows the UK's research base is well positioned to advance the IS-8 industries — sectors critical to productivity growth, improved public services, and achieving net zero. Regulatory reforms to accelerate clinical trial approvals and support AI adoption will reinforce this momentum.

Finally, the UK spinout ecosystem is now firmly global in outlook. Overseas funds, particularly

from the US and continental Europe, are integral participants in the largest deals. Their involvement not only provides capital at scale but also helps connect UK companies to international markets. The strength of co-investment partnerships reflects growing confidence in the UK as a hub for world-class innovation.

Together, these developments highlight the maturing of the spinout ecosystem. Despite wider economic challenges, the UK is steadily building the institutional, regional, and international foundations needed to convert frontier science into long-term economic growth.

# Spinout investment



**4,109**

equity deals secured  
by spinouts (2015 - 2024)



**175**

equity deals secured  
by spinouts (H1 2025)



**£18.1b**

equity investment value  
secured by spinouts (2015 - 2024)



**£709m**

equity investment value  
secured by spinouts (H1 2025)



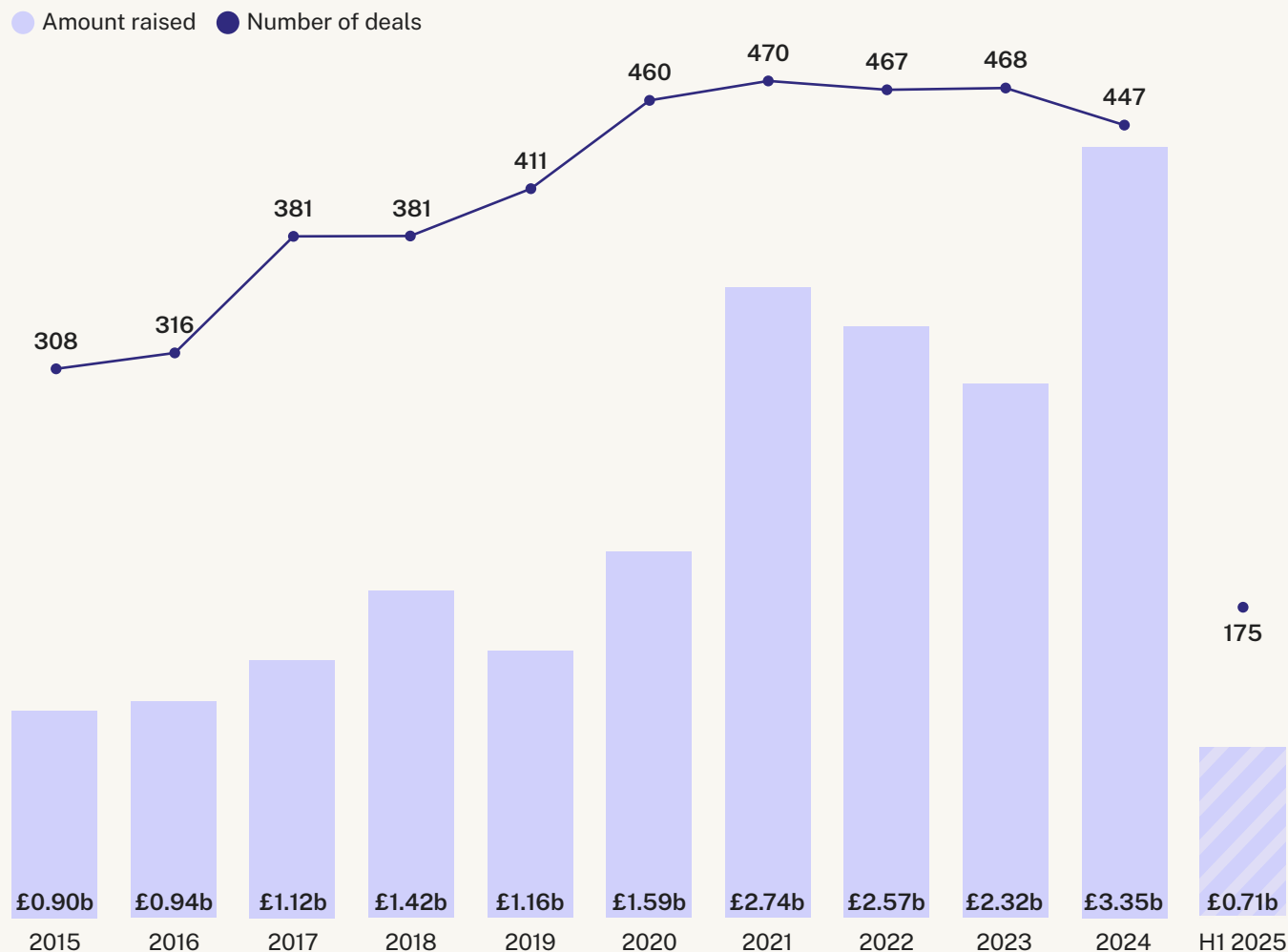
# Spinout investment

In 2024, spinouts attracted £3.35b, an increase of 44.3% from 2023. This rise was partly driven by two significant fundraising events by the following companies at the growth stage — Autolus and Bicycle Therapeutics. Both received substantial backing, accounting for 26.0% of equity raised in 2024. The average value of equity investment raised increased from £4.96m in 2023 to £7.49m in 2024. This rise reflects the impact of large fundraisings but also suggests that investors are more willing to drive capital into spinouts following a period of reduced investor participation.

Even without the two largest deals in 2024, the total amount raised would have been more than in 2023. This is in contrast to the wider equity market, which has seen year-on-year declines from 2021 to 2024. This decline was influenced by higher interest rates and inflation, which increased valuations, reduced liquidity, and heightened investor caution. These factors, alongside geopolitical tensions in 2022 and 2023, resulted in smaller deal sizes. Against this decline, the resilience of the spinouts funding market is a positive sign.

In H1 2025, spinouts raised £709m at an average of £4.05m per deal. While the current pace suggests total investment may not surpass 2024 levels, sustained funding amid US tariff-related turbulence could set the stage for a stronger H2 as uncertainties ease. Significant fundraisings have already occurred in 2025, including a £90m raise by drug developer CellCentric in April to advance its R&D commitments and a £107m raise by Draig Therapeutics in June.

Equity investment in UK spinouts (2015 - H1 2025)<sup>1</sup>



<sup>1</sup> H1 2025 figures are intended as an early indicator only and should not be taken as representative of full-year performance.

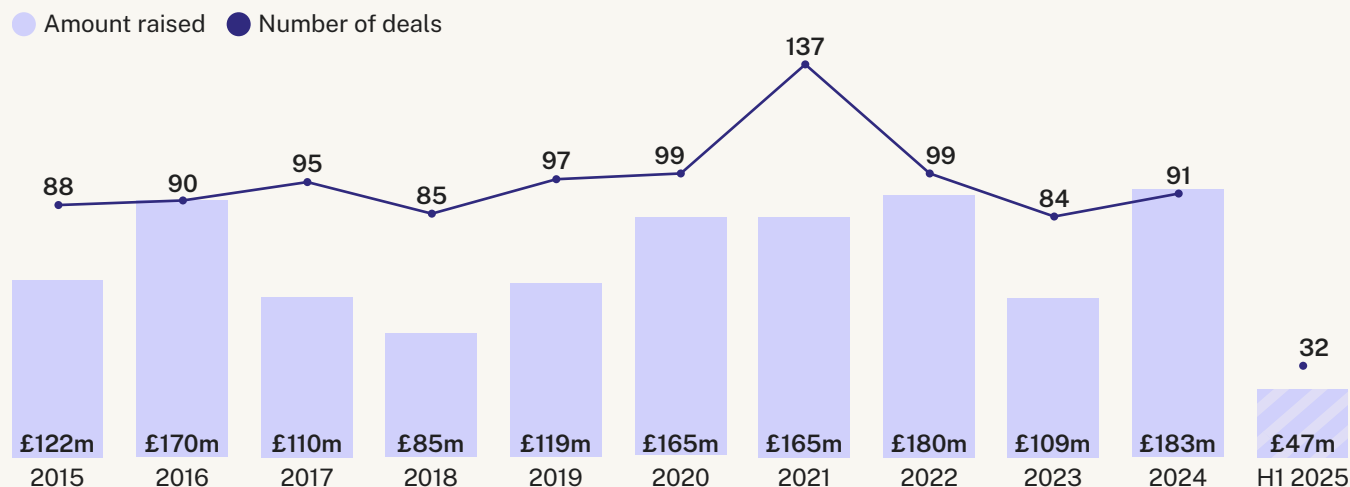
# Equity deals by number and stage

The value secured by first-time equity deals rose from £109m in 2023 to £183m in 2024. This increase was partly driven by more spinouts raising in their first year of operation, with 17 in 2024 compared with just 8 in 2023. The higher first-time deal values in 2024, alongside more spinouts raising capital in their first year of trading, may reflect the year-on-year decline in spinout incorporations since 2020. In 2024, 83 spinouts were incorporated compared to 206 in 2020. Fewer spinout incorporations may reflect a shift towards quality over quantity. Investors may have more time to complete rigorous validation processes before closing deals, and with fewer spinouts available, deal sizes are growing. For spinouts, a less crowded field can help them attract a greater share of available funding and talent.

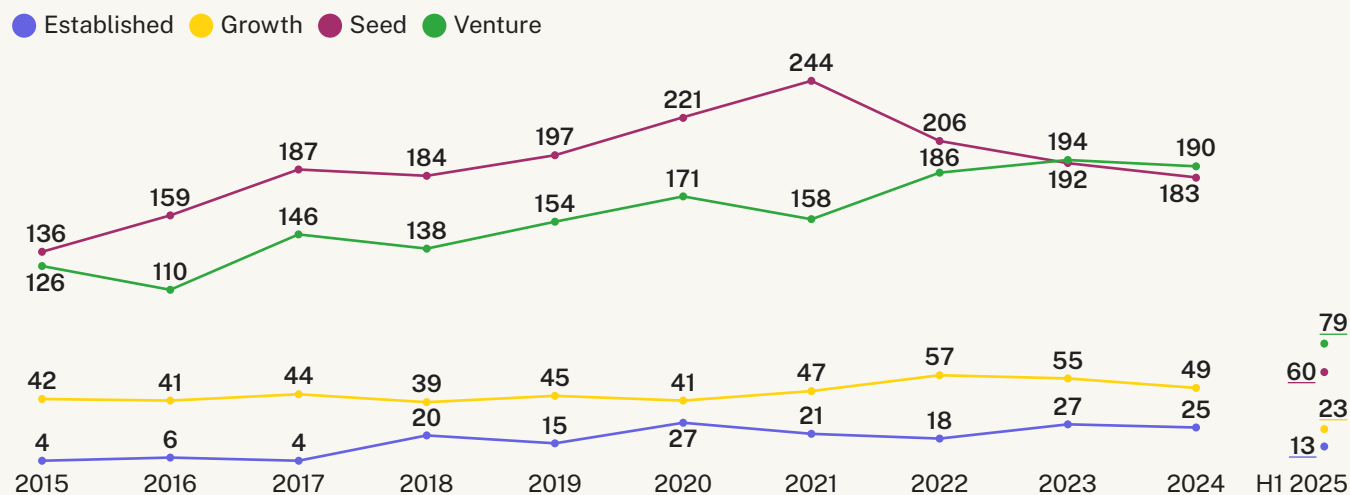
The distribution of deals by stage of evolution was relatively unchanged between 2023 and 2024,<sup>2</sup> suggesting stability in the investment pipeline. Looking across the decade, all stages have grown in volume. Whereas first-time deals fluctuate in value year to year. This reflects the sensitivity of first time deals to incorporation cycles and the impact of a few large initial rounds. By contrast, the stage distribution follows a steadier path, with seed and venture activity consistently forming the bulk of deals. Taken together, this shows that first-time deal values highlight short-term fluctuations in new spinout activity, while the stage mix reflects the longer-term structure of the spinout funding pipeline.

<sup>2</sup> This analysis uses Beahurst's definitions of stage of evolution. This can be found at the following link.

First-time equity deals in spinouts by year (2015 - H1 2025)



Equity investment deals in spinouts by stage of evolution at deal date (2015-H1 2025)



# Scale-up pipeline

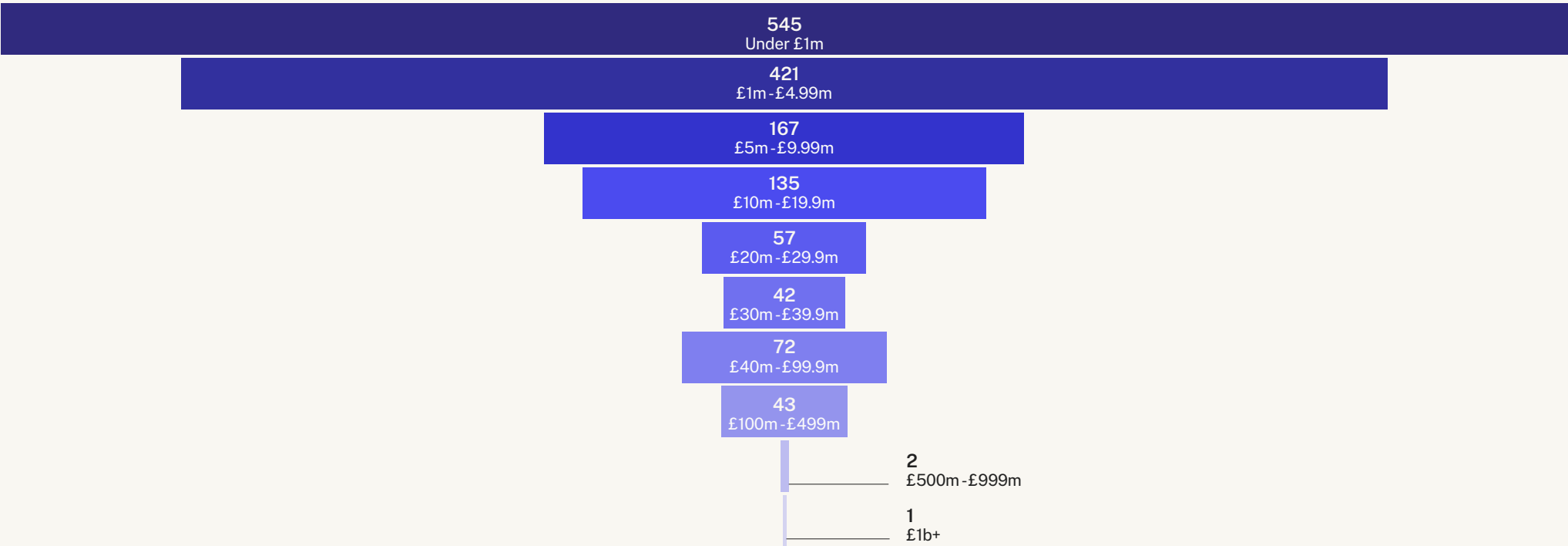
The chart shows a clear turning point in the scale-up journey of UK spinouts. Hundreds of companies raise up to £20m, and the number securing larger equity packages falls away sharply after this stage. Only 57 spinouts have raised between £20m and £29.9m, 42 reached £30m to £39.9m, and just 72 secured between £40m and £99.9m. Beyond this, only a handful of companies achieved the £100m+ milestones.

The £20m-£29.9m group also has the highest average age, at 12.7 years, compared with 8 to 12 years across most other funding bands. This indicates that the drop-off is not explained by company maturity and reflects a structural barrier in progressing to larger equity rounds.

This pattern is not unexpected. It reflects the natural challenge of moving from early-stage

funding to the larger rounds required for global expansion. The UK has a strong pipeline of early-stage spinouts, although the step up to substantial scale-up capital remains a bottleneck. Addressing this requires deeper pools of patient capital, stronger links with institutional investors, and continued government support to crowd in private capital.

Number of UK spinouts by volume of equity raised (as of June 2025)



# Regional investment

Investment in UK spinouts over the last decade has been largely concentrated in the South. The South East (£5.58b), London (£4.27b), and East of England (£4.25b), account for 77.9% of total investment since 2015. These regions include the cities of the Golden Triangle, a global cluster of science and innovation, comprised of world-renowned universities, deep talent pools, and strong access to capital. Excluding Scotland, northern regions have attracted significantly less investment,<sup>3</sup> with spinouts raising £1.33b between 2015 and 2024.

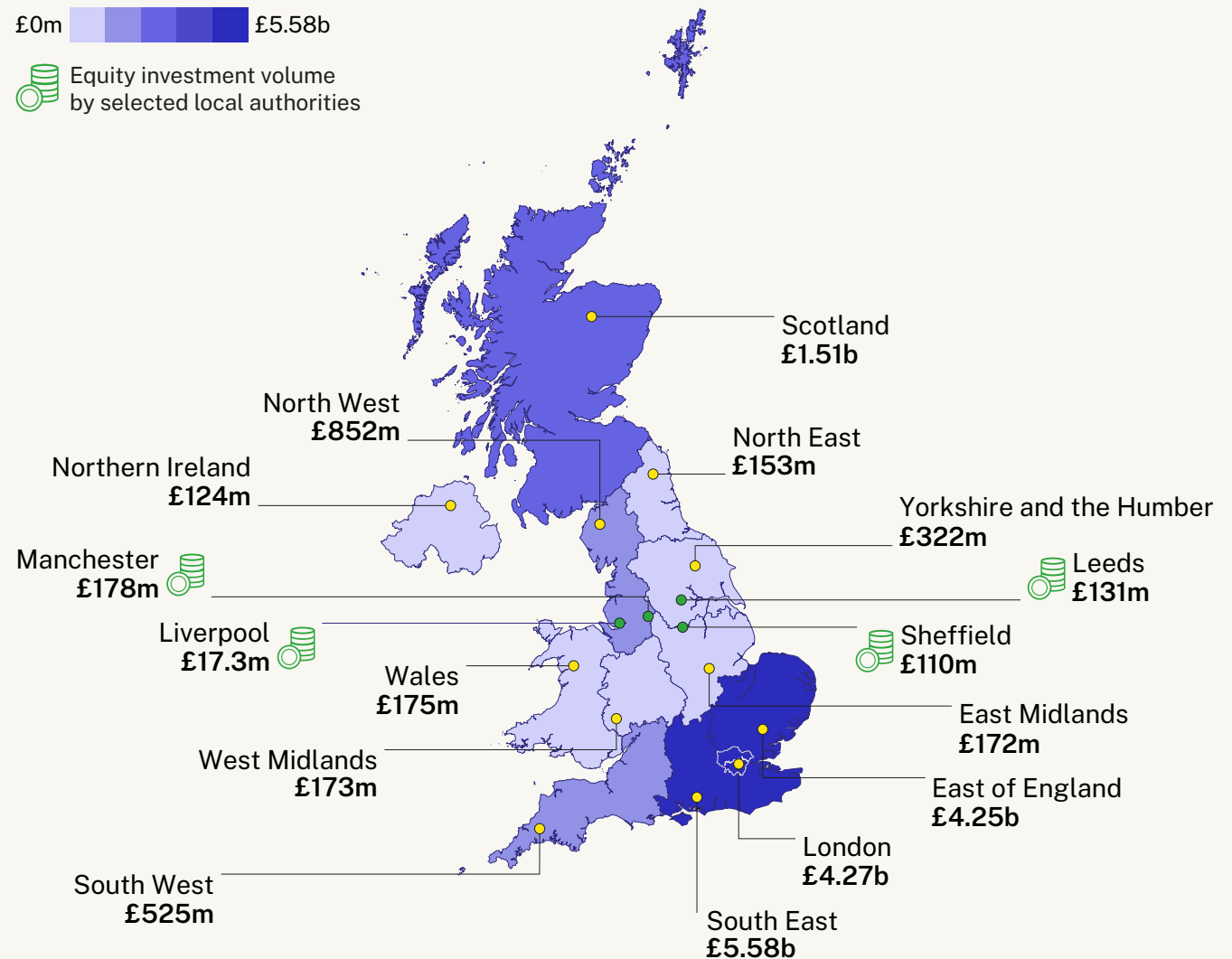
Spinouts in the North West have attracted the most investment in the North, securing £852m since 2015. Manchester-based spinouts reached a record £56m in 2024. While other regions of the North lag behind, initiatives including the government's £30m university spinout fund and its £8m commitment to the Strategic Commercialisation Ecosystem North East (SCENE),<sup>4</sup> aim to boost innovation, strengthen spinout activity across the North, and support the UK's wider strategic objectives.

Spinouts headquartered in Scotland have secured £1.51b in equity investment since 2015 — 27.1% of the total raised by spinouts in the South East. While Scotland has a smaller ecosystem, the funding gap is clear. The South East's spinouts raised an average of £558m per year between 2015 and 2024, compared to Scotland's £151m per year.

## Regional spinout investment (2015 - 2024)

£0m  £5.58b

 Equity investment volume by selected local authorities



<sup>3</sup> Northern (the North) regions are comprised of: the North East, North West, and Yorkshire and the Humber.

<sup>4</sup> Department for Science, Innovation and Technology, 2025. University spinouts to grow industries of the future with new government backing.

# Regional investment

Outside Cambridge and Oxford, the funding gap remains significant. The combined averages from Edinburgh, Glasgow, and Aberdeen contribute to a solid level of annual spinout investment in Scotland. Scottish spinouts are set to receive a further boost after its government announced a £4.4m funding package for the spinout ecosystem in June.<sup>5</sup> Spinout investment in the North has been low on average, with Manchester, Leeds, and Sheffield raising annual averages of £17.9m, £13.1m, and £11.1m respectively over the past decade. This represents an opportunity for these emerging spinout hubs to grow through regional and cross-country partnerships.

The regional partnership known as the Northern Arc (Manchester, Leeds, Liverpool and Sheffield) aims to strengthen its respective spinout ecosystems. This is reflected by initiatives such as the Northern Triangle Talent (NTT).<sup>6</sup> The NTT initiative has supported 45 emerging spinouts since launching in 2024.

The launch of Northern Gritstone’s NG Studios, in partnership with Deeptech Labs, provides an accelerator to support the growth of deeptech spinouts. Alongside this, the Northern Universities Venture Fund, created by Parkwalk Advisors and Northern Gritstone, will help widen access to capital for spinouts in the North. Another regional partnership that has received investment is the Cambridge x Manchester Innovation Partnership.<sup>7</sup> This collaboration received £4.8m from Research England in June 2025, to strengthen research networks, boost scale-up growth, attract private investment, and draw in foreign direct investment.

Average equity raised per year by spinouts by local authority (2015 - 2024)

|                                    |        |
|------------------------------------|--------|
| Cambridge and South Cambridgeshire | £327m  |
| Oxford                             | £303m  |
| City of Edinburgh                  | £34.9m |
| Bristol, City of                   | £31.6m |
| Glasgow City                       | £30.1m |
| Aberdeen City                      | £23.3m |
| Manchester                         | £17.9m |
| Leeds                              | £13.1m |
| Sheffield                          | £11.1m |
| Newcastle upon Tyne                | £10.2m |
| Birmingham                         | £7.95m |
| Liverpool                          | £1.74m |

“

While investment in the North has lagged, it is encouraging to see investors such as Parkwalk and Northern Gritstone, alongside public funding, working to create a more balanced funding landscape for spinouts across the UK.

<sup>5</sup> Scottish Financial News, 2025. Scotland boosts innovation with £4.4m university spin-out fund.

<sup>6</sup> The University of Sheffield, 2025. The Northern Triangle Talent Project: One year on.

<sup>7</sup> University of Cambridge, 2025. Cambridge and Manchester partnership to boost UK innovation and growth gets government backing.

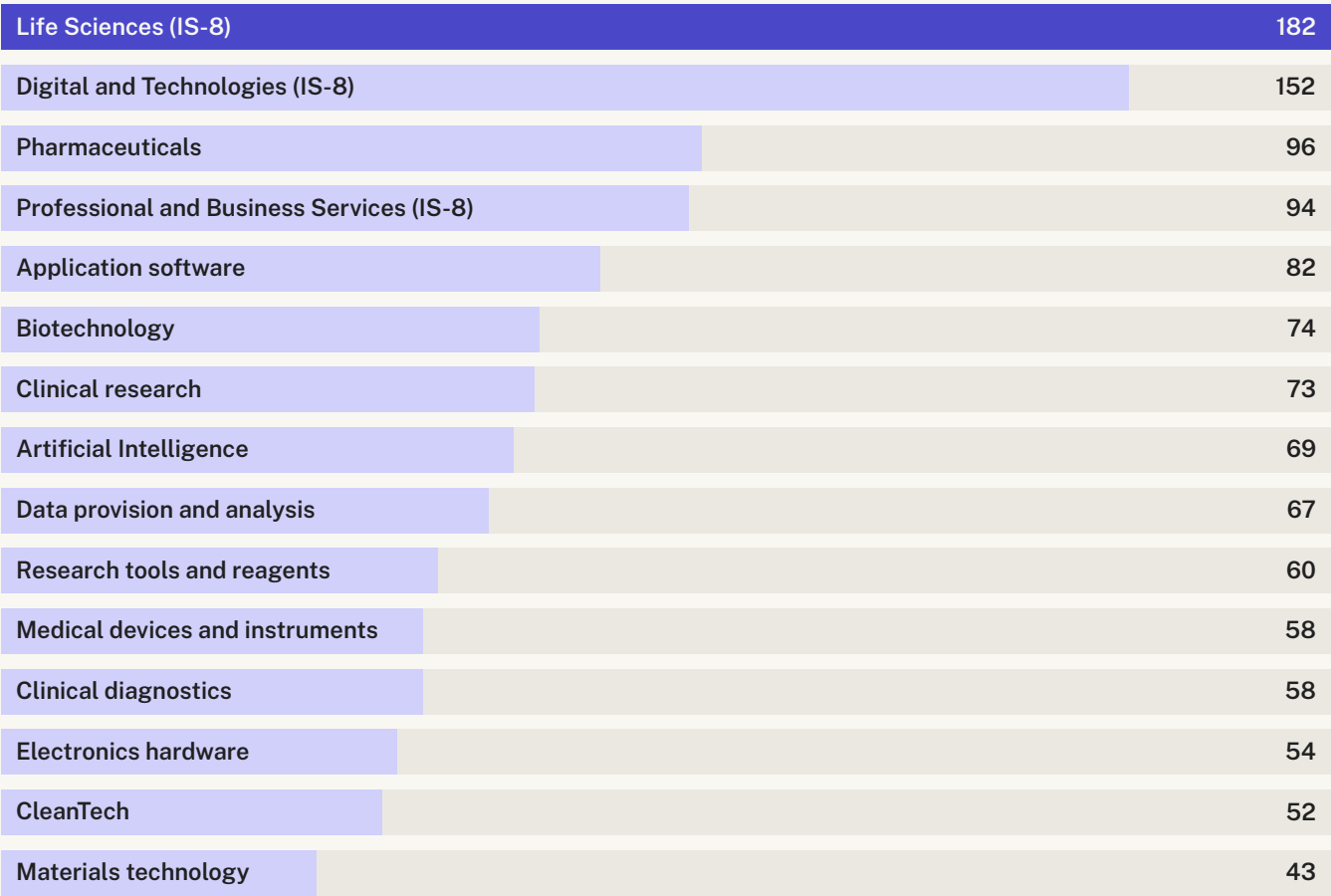
# Top industries for investment

In July 2025, the UK government released its Modern Industrial Strategy.<sup>9</sup> This outlines eight priority industries (known as the IS-8) at the core of its long-term growth ambition. A key aim of the Strategy is to boost the UK’s capacity to commercialise research, with a greater focus on university spinouts.

The UK’s spinouts are already driving innovation in the IS-8 industries. Most notably in Life Sciences,<sup>10</sup> which recorded 182 equity deals between H2 2024 and H1 2025. This reflects the strength of the UK’s Life Sciences research base and its investment infrastructure. Life Sciences comprises multiple sub-sectors. The most active sub-sectors were pharmaceuticals, which secured 96 deals (six more than in 2023), biotechnology with 74 deals (up six on the previous year), and clinical research with 73 deals, marking the largest increase with 20 more than the year before. Life Sciences spinouts stand to benefit from upcoming regulatory reforms aimed at accelerating clinical trial timelines and improving market access.<sup>11</sup>

The Digital and Technologies IS-8 industry is another hub for spinout activity, with 152 equity deals.<sup>12</sup> Several sub-sectors contribute, including application software and AI, as well as data provision and analysis. Whilst deals in application software are down, both AI and data provision and analysis achieved more deals. These sub-sectors will support the UK’s economic transformation, including better access to computing and data and widespread deployment of AI.<sup>13</sup>

Top industries by number of equity deals in spinouts (H2 2024 - H1 2025)<sup>8</sup>



<sup>8</sup> This year’s report includes the industries known as the IS-8 as outlined in The UK’s Modern Industrial Strategy. Companies can be included in more than one industry.

<sup>9</sup> UK Government, 2025. The UK’s Modern Industrial Strategy.

<sup>10</sup> Life Sciences (IS-8) is comprised of a number of the sectors displayed in the chart including: Research tools and reagents, Biotechnology, Pharmaceuticals, Clinical diagnostics, Clinical research, Medical devices and instruments.

<sup>11</sup> Ibid.

<sup>12</sup> Digital and Technologies is comprised of a number of the sectors displayed in the chart including Artificial Intelligence, Software as a Service, Data provision and analysis, Application Software, Electronics Hardware

<sup>13</sup> Ibid

# Top equity deals

Life Sciences maintained its dominance in the spinout equity landscape in 2024, with seven of the eight largest deals by value secured by companies in the industry. Among these, Autolus and Bicycle Therapeutics stood out, not only as the two largest spinout deals of the year, but also the two largest on record over the past decade.

Autolus is a London-based biotechnology company that develops therapies that modify a patient's immune cells to target and destroy cancer. In February 2024, it raised £436m in a round led by BioNTech to support the final stages of clinical testing and scale-up manufacturing of its lead treatment. Since spinning out from UCL in 2018, the company has secured £673m in equity investment and received £5.25m in grant funding. In April 2025, Autolus became the first UCL spinout to receive UK regulatory approval for a CAR-T treatment, allowing it to supply the therapy through the NHS.

Bicycle Therapeutics is a Cambridge-based biotechnology company developing a new class of synthetic drugs to treat cancer. The approach builds on Sir Gregory Winter's Nobel Prize-winning research into the bicyclic molecule, which is designed to penetrate solid tumours. In May 2024, Bicycle Therapeutics raised £435m in equity funding to support its clinical pipeline. The round was led by multiple US-based healthcare investors, including Deep Track Capital and EcoR1 Capital.

## Top equity deals into spinouts (2024)

|                                     |               |                                                                                       |                                                                                                                                                                                       |
|-------------------------------------|---------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Autolus</b>                      | <b>£436m</b>  |    | Institution: <b>University College London</b><br>Headquarters: <b>London</b><br>Incorporation year: <b>2018</b><br>Activity: <b>Immunotherapy</b>                                     |
| <b>Bicycle Therapeutics</b>         | <b>£435m</b>  |    | Institution: <b>University of Cambridge</b><br>Headquarters: <b>Cambridge</b><br>Incorporation year: <b>2017</b><br>Activity: <b>Cancer therapy</b>                                   |
| <b>Pheon Therapeutics</b>           | <b>£95.5m</b> |    | Institution: <b>King's College London</b><br>Headquarters: <b>St Albans</b><br>Incorporation year: <b>2015</b><br>Activity: <b>Cancer treatment</b>                                   |
| <b>Myricx Bio</b>                   | <b>£90.0m</b> |    | Institution: <b>Imperial College London</b><br>Headquarters: <b>London</b><br>Incorporation year: <b>2019</b><br>Activity: <b>Cancer treatment</b>                                    |
| <b>Purespring Therapeutics</b>      | <b>£80.0m</b> |    | Institution: <b>University of Bristol</b><br>Headquarters: <b>London</b><br>Incorporation year: <b>2020</b><br>Activity: <b>Kidney disease therapy</b>                                |
| <b>Oxford Nanopore Technologies</b> | <b>£80.0m</b> |  | Institution: <b>University of Oxford</b><br>Headquarters: <b>Oxford</b><br>Incorporation year: <b>2005</b><br>Activity: <b>DNA sequencing</b>                                         |
| <b>Amber Therapeutics</b>           | <b>£78.6m</b> |  | Institution: <b>University of Oxford</b><br>Headquarters: <b>London (2024), Didcot (2025)</b><br>Incorporation year: <b>2021</b><br>Activity: <b>Therapy for urinary incontinence</b> |
| <b>F2G</b>                          | <b>£76.1m</b> |  | Institution: <b>University of Manchester</b><br>Headquarters: <b>Cheshire East</b><br>Incorporation year: <b>1998</b><br>Activity: <b>Treats life-threatening fungal diseases</b>     |

# Top investors

Parkwalk Advisors led spinout investment activity in 2024 with 41 deals. When combined with its parent, IP Group, the total rises to 54 deals. This is above the combined 40 in the previous year (29 from Parkwalk and 11 from IP Group). This increase is encouraging as it shows sustained appetite from the UK’s most active specialist investors, reinforcing their role in anchoring the UK spinout ecosystem.

Parkwalk Advisors invests in companies operating in a range of industries, including the IS-8 Digital Technologies and Life Sciences. Its portfolio of companies includes Cambridge GaN Devices, a semiconductor company using Gallium Nitride technology to create energy-efficient devices. The University of Cambridge spinout raised £25m in December 2024, with contributions from two of Parkwalk’s EIS funds.

Scottish Enterprise and Mercia Ventures remain in second and third place. As Scotland’s national economic development agency, Scottish Enterprise plays a pivotal role in supporting early-stage businesses based in Scotland. In addition to funding, it provides companies with investment opportunities and advice on scaling their business. Scottish Enterprise deals in 2024 include pharmaceutical company EnterBiotix. The Lanarkshire-based drug developer creates medicine targeted at bacterial infections. It secured £27.3m in April to support job development and the progression of its gut microbiome drug. Mercia Ventures invests in early-stage companies, with a focus on regional investment, with 80% of its portfolio companies based outside of London and the South East of England.

Top investors in spinouts by number of equity deals (2024)

|                            |               |    |
|----------------------------|---------------|----|
| Parkwalk Advisors   41     | IP Group   13 | 54 |
| Scottish Enterprise        |               | 38 |
| Mercia Ventures            |               | 32 |
| Cambridge Enterprise       |               | 19 |
| SFC Capital                |               | 18 |
| Development Bank of Wales  |               | 17 |
| Oxford Science Enterprises |               | 13 |
| BGF                        |               | 12 |
| Foresight Group            |               | 11 |
| Future Planet Capital      |               | 10 |
| University of Edinburgh    |               | 9  |
| AlbionVC                   |               | 9  |

# Top universities by equity deals

The top three universities by the number of deals secured from their spinouts remain unchanged compared to previous years. This year, the University of Cambridge made the top spot with its spinouts securing 63 deals, up from 45 in 2023. The University of Oxford spinouts secured 48 deals compared to 63 in 2023. Imperial College London held third place with its spinouts recording 28 deals, matching last year's total. University College London (UCL) took fourth spot, marking a strong year for the spinouts from London's top two universities.

Previous editions of this report show variations among the universities that rank outside the top three, though the Universities of Edinburgh and Bristol often place within the top seven. It is encouraging to see University of Manchester spinouts secure 17 deals this year, five more than in each of the previous two years. Variation further down the rankings underscores the strength of the top three universities, whose established funding ecosystems continue to attract consistent investor support.

The regional breakdown shows universities in the North East, Yorkshire and the Humber, and the Midlands ranking lower, highlighting a strong opportunity for targeted spinout investment in these areas. The new partnership between Parkwalk and Northern Gritstone could help strengthen these less established spinout hubs, supporting a more balanced funding landscape across UK regions.

## Top academic institutions by number of equity deals secured by their spinouts (2024)

|                           |    |                                 |    |
|---------------------------|----|---------------------------------|----|
| University of Cambridge   | 63 |                                 |    |
| University of Oxford      | 48 | University of Strathclyde       | 10 |
| Imperial College London   | 28 | University of Sheffield         | 10 |
| University College London | 26 | University of Leeds             | 10 |
| University of Edinburgh   | 23 | University of Exeter            | 8  |
| University of Bristol     | 18 | Heriot-Watt University          | 8  |
| Royal College of Art      | 18 | University of Surrey            | 7  |
| University of Nottingham  | 17 | University of Birmingham        | 7  |
| University of Manchester  | 17 | Swansea University              | 7  |
| University of Warwick     | 12 | Queen Mary University of London | 7  |
| University of Liverpool   | 11 | Loughborough University         | 7  |
| University of Glasgow     | 11 | University of Bath              | 6  |
| Newcastle University      | 11 | Queen's University Belfast      | 6  |
| King's College London     | 11 | Cardiff University              | 6  |

# Top universities by equity volume

Aligning with its lead in the number of deals, the University of Cambridge also ranked first for equity value raised by spinouts in 2024. This is driven by Bicycle Therapeutics' deal, which ranked as the second largest of the year.

UCL ranks second, with the deal from Autolus ranking as the top deal of the year and the decade. This is the second consecutive year UCL has raised more equity than Imperial, despite recording fewer deals.

King's College London ranks sixth for equity raised in 2024, with only 11 deals. A large share of this total came from Pheon Therapeutics' £95.5m raise. Based in St Albans, the spinout develops Antibody-Drug Conjugates with the potential to treat solid tumours and liquid cancers that are untreatable by other methods.

Although the University of Oxford spinouts completed fewer deals in 2024 than in 2023, they secured £546m in equity, exceeding the

£406m raised the previous year. This reflects the larger average deal size that was seen in 2024. The largest deal from a University of Oxford spinout was the £80m raise by Oxford Nanopore Technologies.

## Top academic institutions by equity volume secured by their spinouts (2024)

|                                             |        |                                     |        |
|---------------------------------------------|--------|-------------------------------------|--------|
| University of Cambridge                     | £849m  | University of Birmingham            | £49.2m |
| University College London                   | £600m  | University of Nottingham            | £47.4m |
| University of Oxford                        | £545m  | University of Warwick               | £46.9m |
| Imperial College London                     | £164m  | Newcastle University                | £40.4m |
| University of Bristol                       | £157m  | University of Sussex                | £31.5m |
| King's College London                       | £146m  | Royal College of Art                | £28.5m |
| University of Manchester                    | £134m  | University of Bath                  | £27.8m |
| University of Edinburgh                     | £123m  | Cardiff University                  | £27.0m |
| Queen Mary University of London             | £91.0m | University of Münster <sup>15</sup> | £23.8m |
| University of Queensland <sup>14</sup>      | £74.9m | University of Glasgow               | £21.8m |
| University of Aberdeen                      | £53.9m | University of Sheffield             | £21.5m |
| University of Southampton                   | £52.7m | University of Dundee                | £17.2m |
| MRC National Institute for Medical Research | £50.7m | Queen's University Belfast          | £14.5m |

<sup>14</sup> The University of Queensland is included in this ranking. This represents a rare edge case where the spinout is UK-based, but utilises IP from an overseas university.

<sup>15</sup> The University of Münster is included as it has a spinout that is co-created with the University of Oxford. The volume of equity is attributed to both universities in these cases.

# UK and foreign investment

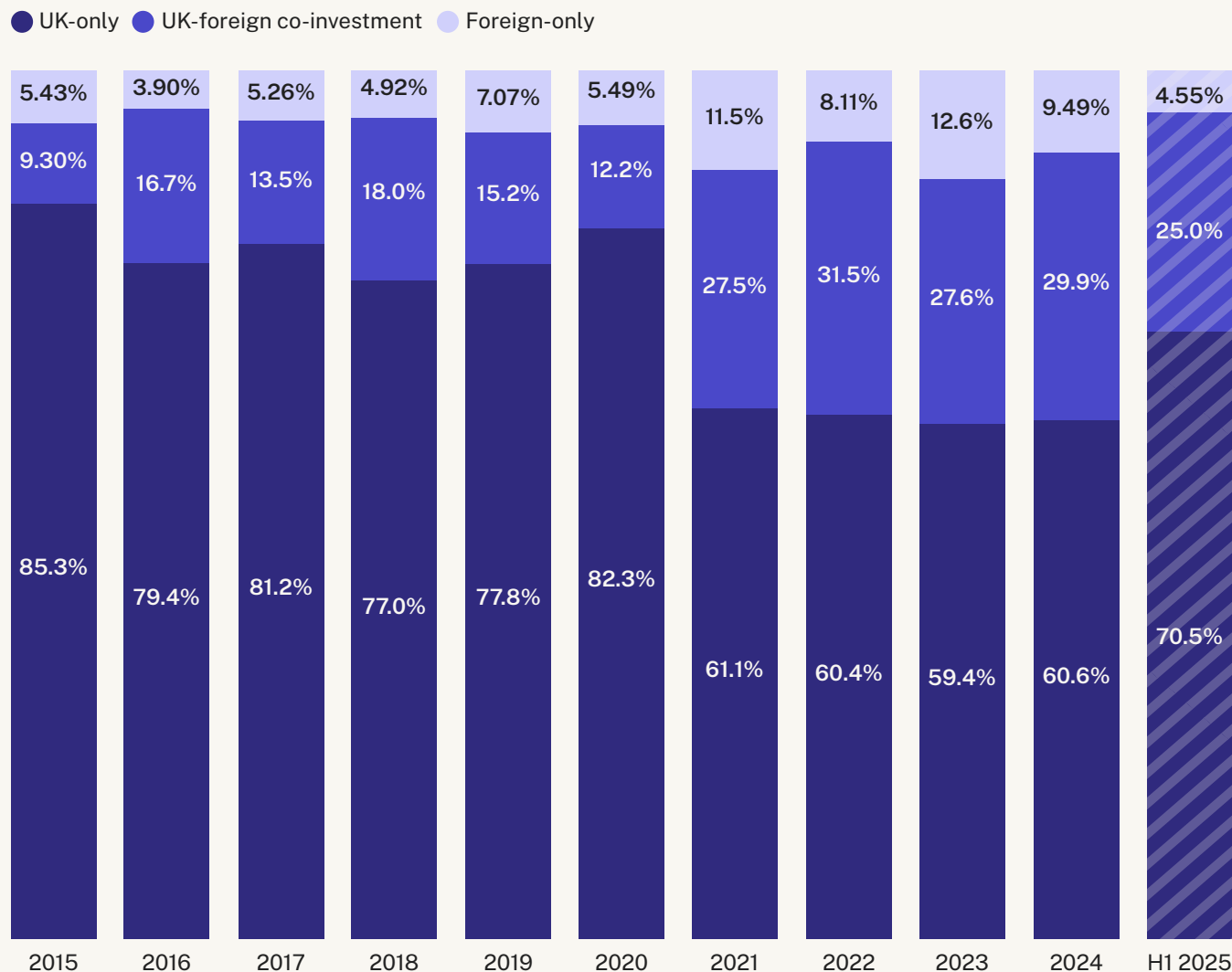
Between 2015 and 2020, spinout deals were predominantly funded by domestic investors. UK-only deals comprised over three-quarters of all transactions each year. These deals are characterised by having a relatively smaller average deal size of around £2.04m, when compared to the UK-foreign co-investment average of £13.9m and foreign-only investor deals of £6.64m.

From 2021 onwards, the share of UK-only deals fell to around 60%, driven by a sharp rise in UK-foreign co-investment. This reflects a maturing spinout ecosystem. As companies progressed beyond proof-of-concept, they required more substantial capital injections. Many of these larger raises attracted specialist overseas funds, particularly from the US, that partnered with UK investors to access local networks and mitigate market-entry risks.

The record £3.35b invested in spinouts in 2024 coincided with strong growth in average deal sizes for both UK-foreign co-investment and foreign-only investment. For UK-foreign co-investment, the average rose from £13.5m in 2023 to £22.8m, while foreign-only investment increased from £10.0m to £16.1m.

In H1 2025, UK-only deals accounted for 70.5% of spinout equity activity — their highest share since 2020. Whether this trend continues could indicate a lower total raised by spinouts in 2025, as the average UK-only deal size is at a low of £1.13m. The turbulent start to the year, driven by tariff negotiations, may have subdued investment in the first half, but as uncertainties ease, H2 could see more promising international investment activity.

UK and foreign investor participation by proportion of equity deals into spinouts (2015 - H1 2025)



# Investor nationality

US-based investors are the most active foreign participants in UK spinout equity, with 602 deals between 2015 and H1 2025. Participation rose from 69 deals in 2023 to 113 in 2024. This US dominance reflects the depth of the US venture capital market, its appetite for high-growth opportunities, and strong ties with UK universities.

The trend has continued into 2025, exemplified by the year's largest co-investment deal: £41.0m into Ultromics, an Oxford University spinout developing machine learning technology to detect heart disease through ultrasound data analysis. Five US-based investors participated in the raise, underscoring the US's continued role in bringing capital to the UK spinout ecosystem.

The Netherlands is the leading European source of capital for UK spinouts, with 85 deals since 2015. Its participation has grown steadily, from 14 deals in 2023 to 21 deals in 2024. Dutch investors also have a notable presence, having participated in 12 megadeals (£50m+) between 2020 and H1 2025, including the £435m raise by Bicycle Therapeutics.

German investors have also expanded their footprint significantly, climbing from just nine deals in 2021 to 18 in 2024. This has continued into H1 2025, where German investors have participated in six spinout deals so far. This includes a £21.1m deal into CamGraPhIC, a University of Cambridge spinout that develops graphene-based technology designed to improve 5G telecommunications.

Top nationalities of funds by number of spinout equity deals participated in, excluding UK (2015 - H1 2025)

|                                                                                     |               |     |
|-------------------------------------------------------------------------------------|---------------|-----|
|    | United States | 602 |
|    | Netherlands   | 85  |
|    | Germany       | 79  |
|    | France        | 56  |
|    | China         | 53  |
|    | Switzerland   | 48  |
|    | Japan         | 40  |
|    | Singapore     | 33  |
|    | Australia     | 31  |
|   | Ireland       | 31  |
|  | Italy         | 27  |
|  | South Korea   | 24  |
|  | Hong Kong     | 21  |
|  | Belgium       | 20  |
|  | Denmark       | 19  |

# Exit by valuation

UK spinout exits since 2015 have been dominated by deeptech and life sciences. Leading the list is Oxford Nanopore's £3.37b IPO in 2021. The company specialises in genomics and develops a range of portable DNA and RNA sequencing devices that are also capable of characterising epigenetic modifications.

Spinouts operating in the pharmaceutical sector account for 12 of the top 15 exits, including Achilles Therapeutics, Adaptimmune, and Exscientia. Pharmaceutical spinouts are particularly successful because their patented IP fits directly with the industry's need for new drug pipelines. Defined clinical milestones create transparent valuation points, and strong specialist investor demand supports both major IPOs and strategic acquisitions. Except for Oxford Nanopore, the remaining ten IPOs were in the pharmaceuticals sector, all of which listed on the NASDAQ, reflecting the strong pull of US markets.

The volume of IPOs in the ranking shows that public markets were once the main route to scale for spinouts. Between 2022 and 2024, there were no spinout IPOs following seven listings in 2021. This pattern was not unique to spinouts, as UK IPO activity declined across all companies. Weak market conditions made listings less attractive, and some businesses opted to list overseas; in 2021, four spinouts chose NASDAQ over the UK market.

In 2025, two spinouts, Quantum Base and Cardiogeni, have already completed IPOs on the UK markets, suggesting a potential return of confidence in domestic listings for UK spinouts.

## Exits by spinout valuation (2015 - H1 2025)

● IPO ● Acquisition

|                              |         |
|------------------------------|---------|
| Oxford Nanopore Technologies | £3,377m |
| Exscientia                   | £2,375m |
| Orchard Therapeutics         | £950m   |
| Immunocore                   | £806m   |
| Adaptimmune                  | £772m   |
| Ziylo                        | £623m   |
| Gyroscope Therapeutics       | £588m   |
| Achilles Therapeutics        | £529m   |
| Autolus                      | £498m   |
| Spur Therapeutics            | £476m   |
| Barinthus Biotherapeutics    | £415m   |
| MiroBio                      | £356m   |
| Nightstar                    | £353m   |
| Base Genomics                | £315m   |
| MeiraGTx                     | £304m   |

# Exit by location

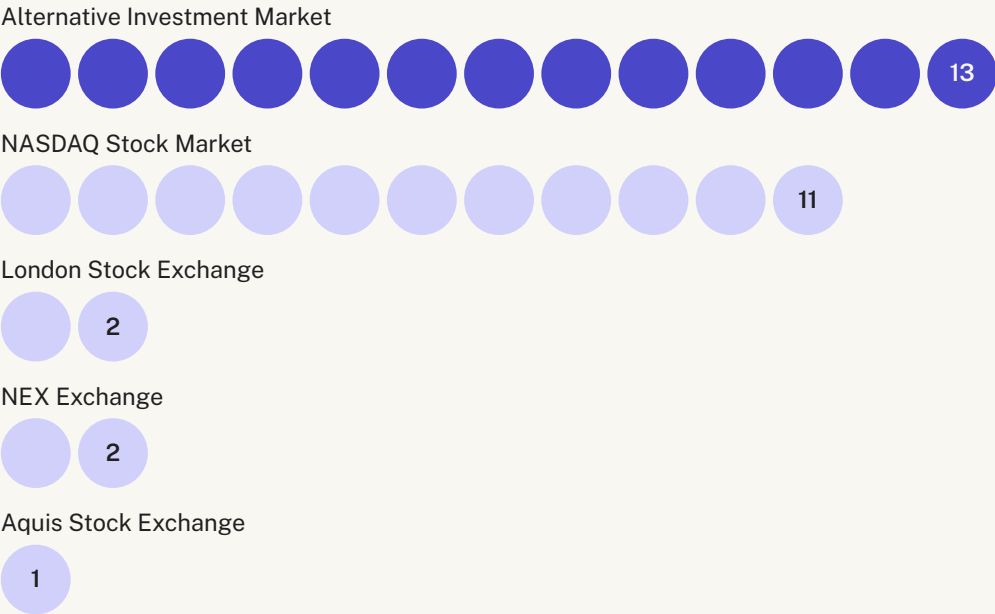
Spinouts tend to favour domestic listings, with 16 in the UK, primarily on the Alternative Investment Market (AIM) and the London Stock Exchange (LSE). AIM is the top exchange, with 13 listings between 2015 and H1 2025. It is a sub-segment of the LSE designed to provide smaller high-growth companies with secure capital, and its lighter regulatory framework makes it attractive for companies looking to list. After a lack of activity since 2021 it is promising to see Quantum Base choosing to list on the AIM in April 2025.

The NASDAQ is the second most popular exchange, with 11 listings in the period. Its US offering provides deeper pools of capital and greater visibility for international expansion, although no new listings have occurred since 2021.

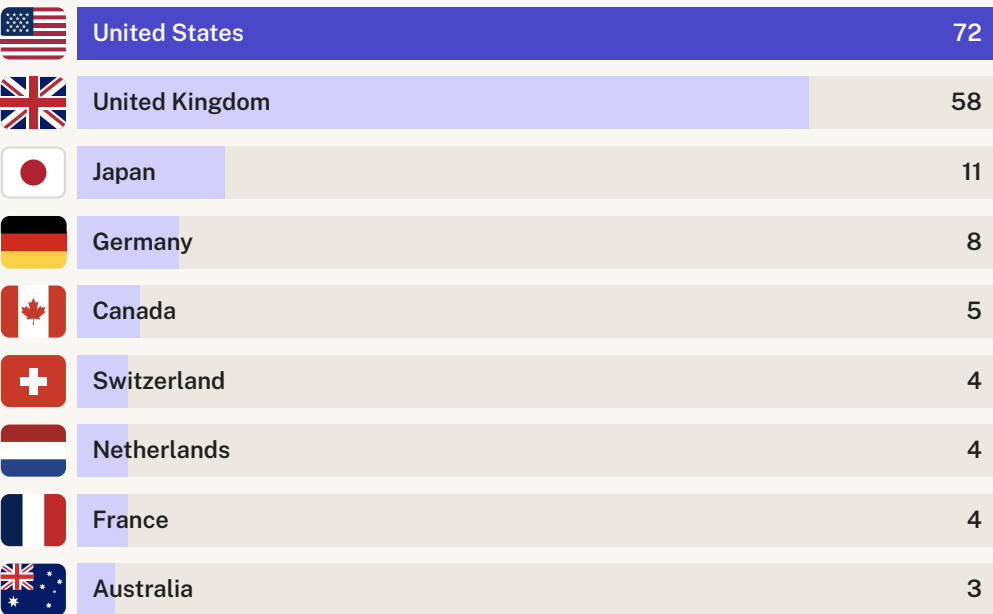
While there have been no US spinout IPOs since 2021, there have been 23 US exits from 2022 to H1 2025. Many UK companies are drawn by the opportunities for expansion, the regulatory framework, and access to investor capital.

The majority of spinout acquisitions are achieved through trade sales. These offer spinouts quicker routes to capital and integration into larger industry players. For example, game developer Epic Games’ acquisition of virtual reality experience designer Loci for £21.2m in April 2025. Trade buyers provide more than capital, offering sector expertise, established distribution networks, and the capacity to accelerate commercialisation.

Stock exchange by number of spinouts listed (2015 - H1 2025)



Top nationalities of acquirers of UK spinouts by number of acquisitions (2015-H1 2025)



# Methodology

Beauhurst tracks all spinouts deemed to have spun out on or after 1 January 2011. Spinning out from an academic institution is one of our eight triggers (outlined on the right of this page) that we believe suggest a company has high-growth potential. More detail on Beauhurst's tracking triggers is available via our website. Companies that spun out of an academic institution prior to 1 January 2011 may still be included in this report if they met one of the other seven triggers after 1 January 2011 and then were subsequently determined to be a spinout.

## Equity investment

To be included in our analysis, any investment must be:

- Secured by an academic spinout (as defined previously)
- Some form of equity investment
- Secured by a non-listed UK company
- Issued between 1 January 2015 and 30 June 2025

## What is an academic spinout?

We define an academic spinout as a company that meets condition 1 and at least one condition out of 2-4:

1. The UK-based company was set up to exploit intellectual property developed by a recognised UK or overseas university or research institution (This is broadly in line with the Higher Education Statistics Agency's (HESA) definition of a spin-off).
2. The institution owns IP that it has licensed to the company.
3. The institution owns shares in the company.
4. The institution has the right (via an options or warrants contract) to purchase shares in the company at a later date.

## High-growth tracking triggers



Equity investment



Scale-ups



Accelerator attendances



MBOs/MBIs



Academic spinouts



High-growth lists



Major grant recipients



Venture debt



4th Floor, Brixton House  
385 Coldharbour Lane  
London  
SW9 8GL

[www.beauhurst.com](http://www.beauhurst.com)  
+44 (0)20 7062 0060  
[consultancy@beauhurst.com](mailto:consultancy@beauhurst.com)

Beauhurst is the ultimate source  
of UK private company data.

Through our data platform, we provide data on every UK private company — from investments and hiring status, to patents and trade data — identifying hidden growth, innovation, risk, and ESG signals across UK companies.

Our Research and Consultancy team can provide powerful insights, thought leadership, and data-led reports. Please get in touch if you would like to talk about a project.

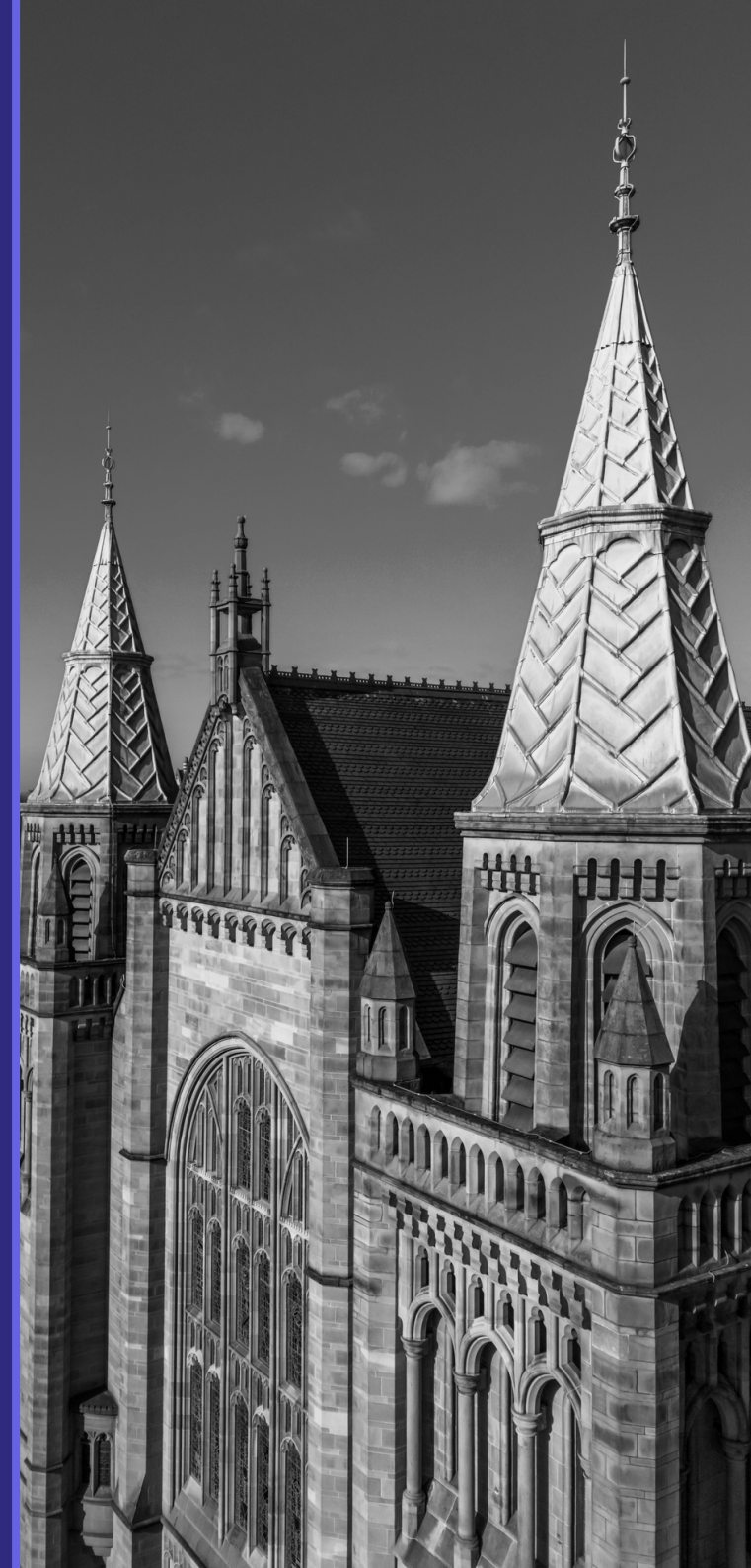


3 Pancras Square  
King's Cross  
London  
N1C 4AG

[www.parkwalkadvisors.com](http://www.parkwalkadvisors.com)  
+44 (0)20 7759 2285  
[enquiries@parkwalkadvisors.com](mailto:enquiries@parkwalkadvisors.com)

Parkwalk is the UK's most active investor in university spinouts, backing transformative technologies developed by the country's leading universities and research organisations. As the leading growth EIS fund manager, with £500 million in assets under management, Parkwalk has invested in over 200 companies through its Parkwalk Opportunities and Knowledge Intensive EIS Funds, as well as through enterprise and innovation funds managed for the Universities of Cambridge, Oxford, Bristol, and Imperial College. In 2025, Parkwalk introduced the Northern Universities Venture Fund, targeting opportunities emerging from the Universities of Leeds, Liverpool, Manchester, and Sheffield.

In partnership with our parent company, IP Group, we are dedicated to unlocking the potential of UK university research, supporting businesses throughout their journey from spinout to scale-up and from laboratory to market.



**Editor**

Henry Whorwood

**Production**

Miraj Mistry, Advone Katsande,  
Blanca Valencia, Justin Tsui

**Design**

Evangeline Luckhurst



© Beauhurst 2025